



Legislation Details (With Text)

File #: 08-0962 **Version:** 1 **Name:** 11/6/08 William B. Gould Property Purchase

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On agenda: 11/6/2008 **Final action:** 11/6/2008

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Title: Resolution to Approve Participation Agreement with Ann Arbor Township for the Purchase of Development Rights on the William B. Gould Property in Ann Arbor Township and Appropriate Funds for 50% of the Remaining Purchase Price, and Due Diligence and Closing Costs, Not to Exceed the Amount of \$269,000.00 From the Open Space and Parkland Preservation Bond Proceeds

Sponsors:

Indexes:

Code sections:

Attachments: 1. Gould Map.pdf

Date	Ver.	Action By	Action	Result
11/6/2008	1	City Council	Approved	Pass

Resolution to Approve Participation Agreement with Ann Arbor Township for the Purchase of Development Rights on the William B. Gould Property in Ann Arbor Township and Appropriate Funds for 50% of the Remaining Purchase Price, and Due Diligence and Closing Costs, Not to Exceed the Amount of \$269,000.00 From the Open Space and Parkland Preservation Bond Proceeds

Attached for your review and action is a resolution to approve a Participation Agreement with Ann Arbor Township for the purchase of development rights on the William Gould property, tax ID numbers I-09-05-200-002 and I-09-05-200-001, in Ann Arbor Township and to appropriate funds for 50% of the remaining purchase price, 50% of the due diligence and 100% of the closing costs and monitoring costs, not to exceed \$269,000.00 from the Open Space and Parkland Preservation Bond Proceeds.

William Gould applied to the Ann Arbor Township Land Preservation program in 2007. In January 2008, the City of Ann Arbor applied for grant funds from the Farm and Ranchland Protection Program for the purchase of development rights on the property, and was subsequently awarded a grant in the amount of \$256,000. The City of Ann Arbor and Ann Arbor Township have jointly been negotiating with the landowners. As with any land acquisition deal which the City is involved, a donation was requested from the landowner, however, no donation was received for this acquisition.

The property is located along Joy Road, and provides sweeping views along the major corridor. This property is a high priority for both the Ann Arbor Township program, as well as the City's Greenbelt program. The easement will be transferred to Ann Arbor Township after closing.

The property is approximately 51.2 acres in size and is currently in agriculture production. The property is considered large enough to sustain agricultural production and is in a location that will encourage additional farmland preservation and agricultural preservation activities. The property is adjacent to the Braun farm, which the City has also received grants funds for the purchase of

development rights. Furthermore, other applications have been received from landowners in the area, providing more opportunities to add to the block of protected farmland.

Project Budget:

Appraised Value	\$691,000.00
Closing/Due Diligence	<u>\$ 64,000.00</u>
Total Cost	\$755,000.00

Purchase Price:

Purchase Price:	\$691,000.00
FRPP Grant:	<u>-256,000.00</u>
Remaining:	\$435,000.00

Closing/Due Diligence:

Due Diligence estimated costs:	\$ 25,000.00
Closing estimated costs:	\$ 15,000.00
Monitoring costs:	<u>\$ 24,000.00</u>
Total Additional Costs:	\$ 64,000.00

Ann Arbor Township contribution:

50% remaining purchase price:	\$217,500.00
50% Due Diligence:	<u>\$ 12,500.00</u>
Total Contribution:	\$230,000.00

City of Ann Arbor contribution:

50% remaining purchase price:	\$217,500.00
50% Due Diligence:	\$ 12,500.00
100% Closing:	\$ 15,000.00
Monitoring:	<u>\$ 24,000.00</u>
Total Contribution:	\$269,000.00

Federal matching grant funds are through the Natural Resources Conservation Service, the Ann Arbor Township share is from the Land Preservation Millage, and the City's share is from the Open Space and Parkland Preservation Bond Proceeds.

Approval of the Participation Agreement and appropriation of the funds were recommended by the Greenbelt Advisory Commission at the October 2, 2008 Special Greenbelt Advisory Commission meeting.

Prepared by: Ginny Trocchio, The Conservation Fund

Reviewed by: Jayne Miller, Community Services Area Administrator

Whereas, Chapter 42 of the Ann Arbor City Code establishes the Greenbelt District and enables the City to purchase development rights on property within the district;

Whereas, Chapter 42 of the Ann Arbor City Code specifically authorizes City Council to enter into agreements for joint acquisition of land in the Greenbelt District with other government agencies;

Whereas, Purchase of Development Rights may be funded through the Open Space and Park Land Preservation Bond Proceeds;

Whereas, Sufficient funds in the Open Space and Parkland Preservation Bond Proceeds are available for the expenditure;

Whereas, The City was awarded funds from the Federal Farm and Ranch Land Protection Program (FRPP) for the purchase of development rights on the Gould Farm;

Whereas, Ann Arbor Township has funds available through the Land Preservation Millage for the Purchase of Development Rights on active agricultural land; and

Whereas, The Greenbelt Advisory Commission supports approval of the Participation Agreement with Ann Arbor Township and expenditure of funds;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the Participation Agreement defining each party's interest in the acquisition and if required, any supplemental documents necessary to document the appropriation of funds for the purchase of development rights on the Gould Farm, after approval as to form by the City Attorney;

RESOLVED, That \$269,000.00 be appropriated for the purchase of development rights for this property from the Open space and Parkland Preservation Bond Proceeds for the life of the project without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution.